

## **REAL ESTATE COMMISSION MEETING**

Heber M. Wells Building  
Second Floor Hearing Room  
9:00 a.m.  
October 17, 2007

### **MINUTES**

#### STAFF MEMBERS PRESENT:

Derek B. Miller, Division Director  
Dee Johnson, Enforcement Director  
Mark Fagergren, Education/Licensing Director  
Laurie Noda, Assistant Attorney General  
Renda Christensen, Board Secretary  
Tiffeni Wall, Real Estate Education Coordinator  
Kurtis Hughes, Investigator  
Amber Neilsen, Division Staff  
Jill Childs, Division Staff

#### COMMISSION MEMBERS PRESENT:

H. Blaine Walker, Chair  
Doyle "Sam" Sampson, Jr., Vice Chair  
Bonnie Peretti, Commissioner  
Gary Hancock, Commissioner  
Kay Ashton, Commissioner

#### GUESTS

Jack Marinello	Curtis Bullock
Kevin Swenson	Lance Miller
Linda Leavitt	Michael Welker
Paul Naylor	Tammy Lund

The October 17, 2007 meeting of the Utah Real Estate Commission began at 9:04 a.m. with Chair Walker conducting.

#### Approval of Minutes

The minutes for September 19, 2007 were approved as written.

### **DIVISION REPORTS**

#### DIRECTOR'S REPORT – Derek B. Miller

##### Administrative Rules Update

R162-8-1, School Application for Certification. This draft has changes to 8.4.1.15, which would revise the section to now show the wording as follows: "Prior to accepting payment from a prospective student for a pre-license education course, a certified school shall provide a written disclosure to the prospective student stating: a)

applicants for licensure must disclose an criminal history by answering a questionnaire as part of the pre-license exam; b) applicants for licensure must submit fingerprints cards to the Division and consent to a criminal background check; c) licenses issued by the Division are conditional pending the completion of the background and that failure to accurately disclose a criminal history will result in an immediate and automatic license revocation; d) applicants with a criminal history described in Administrative Rule R162-2.2.9 do not qualify for a license; e) applicants with a criminal history other than as described in Administrative Rule R162-2.2.9 will be considered case by case and may be required to appear at an administrative hearing to determine qualifications for licensure." A motion to start this rule into the rulemaking process was passed.

R162-12, Utah Housing Opportunity Restricted Account. This is a restricted account set up for affordable housing which would receive funds from the selling of special group license plates, donations or grants from public entities, and interest and earnings on the funds in the account. These plates are now available as of October 1, 2007. A motion was made and passed to proceed in the rulemaking process.

R162-2, Exam and License Application Requirements. The suggested wording is in 2.2.10(a) "during the time of the last license or during the period between license expiration and application to reinstate an expired license, been convicted of, or entered a plea in abeyance to, a felony; or (b) a finding of fraud, misrepresentation or deceit entered against the applicant, related to activities requiring a real estate license, by any court of competent jurisdiction of any government agency, unless the finding was explicitly considered when approving the applicant's initial license or previous license renewals."

#### INVESTIGATIONS REPORT – Dee Johnson

Mr. Johnson introduced Dave Mecham and Kurtis Hughes both of whom are part of the real estate investigative staff. Both of these gentlemen, and others in the real estate investigative staff, have been doing a great job in handling the case loads. Since the Division has become fully staffed the total number of backlogged cases has been reduced.

Mr. Johnson reported the Division received 40 complaints, screened 11 complaints, opened 17 cases, closed 31 cases, leaving 119 open cases. Mr. Johnson has commended everyone on the investigative staff for their hard work.

#### EDUCATION/LICENSING REPORT – Mark Fagergren

Mr. Fagergren introduced Tiffeni Wall, Real Estate Education Coordinator, who is very involved in the issues on which Mr. Fagergren will be reporting. Ms. Wall has been covering for Amanda Orme who is out on maternity leave which means that Ms. Wall is handling both the real estate and mortgage sides of education.

Mr. Fagergren mentioned the upcoming Instructor Development Workshop on November 8 and 9, 2007. It will be held at the Radisson Hotel which is the same location as last year's meeting. The workshop will cover instructor training as well as

the changes in rules that have taken place since last year. There will be panel discussions with some of the Commissioners. In case anyone has not received their registration information in the mail, it is also available on the Division's website.

The Division newsletter is going out shortly and the cover story will be on the Real Estate License Management System ("RELMS"). All brokers, principal and branch, and principal lending managers have been sent a letter encouraging them to participate. It is an electronic system on the Division website that will do away with the old paper change cards and a number of other activities that can be conducted on-line. A licensee can now personally manage their account. They can change their address, change the status of their license, move to another company, order a license history, etc.

One of the benefits of RELMS is the Division website will be updated every night so the following day the new information will be displayed. In the past, brokerages were trying to keep track of their licensees and were working with dated material. Now with this new system, changes can be made by the licensee or broker and it will be updated daily. Brokers can now review a copy of their rosters on a daily basis, and if someone is not there, they are not with your company.

There are 40,000 licensees that will be using the system. The system is much more user friendly with these new updates. A question came up from the audience as to when and if the system will be available again in the Excel form. Director Miller said perhaps they can put a link to the Excel format.

The new rules that were approved in May have kept the Division busy. We have had a number of providers submitting programs to be reviewed.

Director Miller commended both Mr. Johnson and Mr. Fagergren for their hard work.

#### **LICENSE HEARINGS: CLOSED TO PUBLIC**

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|-------|--|
| 10:18 | Kyle H. Pulsipher – Application for Renewal<br>Kelly Newville, Principal Broker<br>Sadie Pulsipher, Wife |
| 11:18 | Richard Gaines – Review of Division Decision on License Application                                      |
| 11:30 | Danny Hebdon – Application for Reciprocity<br>Requested to withdraw his application.                     |

#### **OPEN SESSION**

##### Administrative Rule Update

Director Miller pointed out to the Commission that there is a rule ready to be made effective. R162-3-5, Activation, is one of the clean-up rules regarding renewal

language about people taking the core topic courses. The old language said the licensee had to take the core, and the new language says the 12 hours of continuing education required active a license shall be make up of at least 6 hours of core courses in subjects as specified in the rule. The balance of the 12 hours of education may be elective courses in the subject areas listed. A motion was made and approved to adopt the rule change.

A motion was made to go into an Executive Session from 11:45 a.m. to 1:00 p.m.

### **CLOSED TO PUBLIC**

#### Review of Stipulations

Ryan Kramer

R. Dean Merkley

Julie Thompson

Litia Niumeitolu

Richard Culbertson

Real Estate Academy and Director Bea Carman

### **LICENSE HEARINGS (Continued): CLOSED TO PUBLIC**

1:08 Elizabeth Barlow – Application for License

1:41 Clay Richards – Application for License

A motion was made to go into an Executive Session from 2:14 to 2:30.

2:33 Amy Bodrero – Application for License

3:06 Andrea Chilton – Application for License  
Dawn Aders, Mother  
Troy Chilton, Husband  
Thomas A. Freeman, Sales Agent  
Kathy K. Brewer, Friend  
Mark H. Nelson, Associate Broker

A motion was made to go into an Executive Session from 4:00 p.m. to 4:10 p.m.

#### Results of Executive Session

##### Stipulations:

Ryan Kramer - Approved

R. Dean Merkley - Approved

Julie Thompson - Approved

Litia Niumeitolu - Approved

Richard Culbertson - Approved

Real Estate Academy and Director Bea Carman - Approved

A motion was made and accepted to adjourn the meeting at 4:11 p.m.